

CITY OF KINGMAN
REGULAR MEETING OF THE COMMON COUNCIL
Council Chambers
310 N. 4th Street

6:00 P.M.

Minutes

Monday, April 20, 2009

Members:	Officers:	Visitors Signing In:
J. Salem, Mayor	C. Cooper, City Attorney	See attached list
J. Watson, Vice Mayor	J. Kramer, City Manager	
K. Deering	D. Francis, City Clerk	
R. Gordon	D. King, Deputy City Clerk	
R. Lyons	G. Jeppson, Development Services Director	
K. Walker	C. Loyd, Financial Services Director	
C. Young	R. Owen, Public Works Director	
	R. DeVries, Police Chief	
	J. Walker, Human Resources & Risk Management Director	
	D. Richards, Budget Analyst	
	G. Henry, City Engineer	
	T. Ware, Finance Administrator	
	D. Fruhwirth, Parks and Recreation Director	

REGULAR MEETING

Mayor Salem called the meeting to order at 6:00 p.m. and roll call was taken. All Council Members were present. The Invocation was given by Pastor Grif Vautier of Kingman Presbyterian Church, after which the Pledge of Allegiance was said in unison.

THE COUNCIL MAY GO INTO EXECUTIVE SESSION FOR LEGAL COUNSEL IN ACCORDANCE WITH A.R.S.38-431.03(A) 3 TO DISCUSS ANY AGENDA ITEM. THE FOLLOWING ITEMS MAY BE DISCUSSED, CONSIDERED AND DECISIONS MADE RELATING THERETO:

1. APPROVAL OF MINUTES

The Regular Meeting minutes of April 6, 2009 and the Special Session minutes of April 9, 2009.

Councilmember Deering made a MOTION to approve the Regular Meeting minutes of April 6, 2009 and to table approval of the Special Session minutes of April 9, 2009. Councilmember Young SECONDED and the motion was APPROVED by a vote of 6-0 with Vice Mayor Watson abstaining as she was not present at the April 6, 2009 meeting.

2. AWARDS/RECOGNITION

Volunteers in Policing Service (VIP's) Recognition

National Volunteer Week was created in 1974 and will be celebrated throughout the nation the week of April 19th – 25th, 2009. The Kingman Police Department and City of Kingman would like to recognize the Volunteers in Police Service (VIP's) Unit. The unit was formed in 2005 and currently has 15 volunteers. In 2008 the VIP's provided over 2,900 hours of service to the department and community. In appreciation for their service and commitment to the community we would like to recognize; Connie Anderson, Sheri Bauer, Wayne Harden, Richard Kidder, Jeffrey & Shirley Mathe, David Moats, Joanne McLoed, Diana & Warren Olson, Harley Pettit, Bob Sherman, Lonnie Taylor and Ray Turner.

After recognizing everyone by name and expressing the City of Kingman's thanks, Mayor Salem presented Certificates of Appreciation to the recipients that were present: Lonnie Taylor, Wayne Harden, Richard Kidder, David Moats, Joanne McLoed, Harley Pettit, Cressi Brown, Shirley Mathe, Jeffrey Mathe, and Ray Turner.

3. PROCLAMATIONS

- a. The City of Kingman has proclaimed the month of May to be Route 66 Appreciation Month. The City of Kingman recognizes tourism as a major element of Kingman's economy, as well as providing residents with a higher quality of life through multiple levels of employment opportunities. Route 66 (The Mother Road) is Kingman's most recognized tourist attraction, both nationally and internationally.

Tom Spear, representative of the Historic Route 66 Association of Arizona and Tim McDonnell of the Kingman Route 66 Association were presented with proclamations to recognize May as Route 66 Appreciation Month. Mr. McDonnell of the Kingman Route 66 Association presented the City of Kingman with a Route 66 shield and stated that his association is looking forward to working with the City and other local organizations for the growth and betterment of the community.

- b. The City of Kingman has proclaimed the week of April 13th through the 19th, 2009 as National Animal Control Appreciation Week. The City wishes to recognize the efforts of Animal Control personnel in their efforts to provide the public with animal control services performed in a caring and compassionate manner.

Mayor Salem proclaimed April 13th through the 19th, 2009 as National Animal Control Appreciation Week. In addition, Kingman Police Department Animal Control Officer Sommer Ross was presented with a certificate of appreciation for her dedication and hard work.

4. CALL TO THE PUBLIC - COMMENTS FROM THE PUBLIC

Those wishing to address the Council should fill out request forms in advance. Action taken as a result of public comments will be limited to directing staff to study the matter or rescheduling the matter for consideration and decision at a later time. Comments should be limited to no longer than 3 minutes.

Herberta Schroeder, resident of Kingman, addressed the Council regarding sales tax. Ms. Schroeder asked Council to think long and hard about raising sales tax at this difficult economic time. She went on to say that she realizes that sales tax may have to be raised eventually, but now is not the time. Ms. Schroeder stated that sales tax impacts not just tourists, but local residents as well. She went on to say that bed tax could be increased and a property tax eventually may have to be looked at as there are not many options for municipalities to raise funds.

Tom Spear, resident of Kingman and representative of the Historic Route 66 Association of Arizona, addressed the Council. The Historic Route 66 Association of Arizona is best known for their Fun Run. This year over 500 cars have already registered and the Association expects to exceed last year's record of 837. Mr. Spear stated that the Historic Route 66 Association of Arizona was successful in getting Route 66 in Arizona designated as a scenic byway and are also responsible for the pending application to have Route 66 named as an All American Road, which will open lots of opportunities for all of the communities on Route 66 for grants, workshops, and all the resources available through the National Highway Association. Mr. Spear went on to say that a Scenic Conservation Workshop will be held in Flagstaff on Wednesday, May 13, 2009, beginning at 9:00 a.m. and running to 5:00 p.m. The workshop will explore the possibility of restoring the kitsch type of attractions that draw tourists to Route 66 and determine how communities such as Kingman can capitalize on those opportunities.

Harley Pettit, resident of Kingman, and representative of Representatives Against Irresponsible Development (RAID) announced a Town Hall Meeting to be held on Wednesday, April 22, 2009, at 6:00 p.m. at the Mohave County Library. The topic will be the pending City budget. Mr. Pettit went on to state that Financial Services Director Coral Loyd, Mayor John Salem, and possibly a representative from the City Council will be present at the meeting.

Paulette Dollarhide and Penny Blaha, residents of Kingman, and representatives of the St. Vincent de Paul Society, appeared before Council. Ms. Dollarhide stated that last year's budget for St. Vincent de Paul's was \$140,000. Out of that budget the Society disseminated over \$65,000 in aid. Ms. Dollarhide stated that she had previously spoken to Mayor Salem about establishing perishable food collection boxes in City of Kingman buildings. Their 2nd quarter report shows the Society's income at \$26,500 with client expenses at \$19,000; they are solely a volunteer organization. Ms. Dollarhide requested a proclamation and wishes to make the City aware of their need of donations. She went on to state that they service an average of 1,000 clients every 3 months. Ms. Dollarhide and Ms. Blaha requested help from the community with food donations, in-kind donations, and financial donations. On May 31, 2009, St. Vincent de Paul Society is holding a fund raiser for food at Metcalfe Park.

Lola Chavez, resident of Kingman, stated that she was appearing before Council to ask that the Shop Local slogan be expanded to include local contractors. She went on to state the outside contractors are getting jobs that should go to local businesses. Ms. Chavez stated that President Obama says it is time for a change and she would like to see a change in the City of Kingman's bidding policy. She further stated that she would be happy to do anything she can to help, such as getting petitions signed.

Sandra Jones, resident of Kingman for 9 years, stated that she is concerned about the possibility of ending Kingman Area Regional Transit (KART) service. Ms. Jones stated that she takes public transit and further stated that many young people do as well. She went on to say that the transit operators are kind and helpful. Ms. Jones stated that ending the service will hurt the economy because transit customers are spending their money in the City of Kingman.

5. CONSENT AGENDA

All matters listed here are considered to be routine by the City Council and will be enacted by one motion. There will be no separate discussion of these items. If discussion is desired, that item will be removed from the CONSENT AGENDA and will be considered separately.

Mayor Salem stated that item “d” should be removed from the Consent Agenda and considered separately due to him and Councilmember Deering having a conflict of interest with the issue.

a. Special Event Liquor License

Agent and applicant Lawrence Carver of the Kingman Elks Lodge #468, located at 900 Gates Avenue, Kingman, AZ 86401, has applied for a Special Event Liquor License, for the dates of April 23rd, 24th and 25th, 2009, from 10:00 a.m. to 7:00 p.m., for the Motorcycle Show/Harley Run. The event is going to be held at the Harley Davidson Shop, located at 2501 Beverly Avenue, Kingman, Arizona. **Staff recommends approval of the Special Event Liquor License.**

b. Extension of Premises/Patio Permit Liquor License

Agent and applicant Melissa Robb of the VFW Post 3516, has applied for an Extension of Premises/Patio Permit for the Post Dinner to be held on May 2, 2009, from 4:00 p.m. to 7:00 p.m., at 2826 Wickieup, Kingman, Arizona. **Staff recommends approval of the Extension of Premises/Patio Permit Liquor License.**

c. Award of Bid – City Well No. 11 Pumping Equipment – Gilbert Pump & Equipment Company, Engineering Contract No. ENG08-091

On April 13, 2009, Staff received and opened bids for the City Well No. 11 Pump Project. Six bids were received with Gilbert Pump & Equipment Company being the low bidder. The Engineer's Estimate for this project is \$362,860. The low bid of \$420,660 from Gilbert Pump & Equipment Company is \$57,800 or about 16 percent above the estimate. The bid specifications required that contractors submit information on the pump and motor which will be used for this project. Gilbert failed to submit this data with their bid. Council has the right to waive this requirement of the bid process. The pump and motor information will be required as part of the contract submittal process. Gilbert has the proper contractor licensing and zero complaints on file with the State Registrar and has worked for the City on several previous pump projects. **Staff recommends that the bid requirement to submit pump data be waived and that the contract be awarded to Gilbert Pump & Equipment Company for their low bid amount of \$420,660.**

d. Resolution No. 4587-R – Authorization of an Intergovernmental Agreement (IGA) with ADOT for Right-of-Way Activities Associated with the Rattlesnake Wash/I-40 Traffic Interchange

Council adopted Resolution No. 4587 authorizing the Mayor to sign an IGA with ADOT for right-of-way activities for the Rattlesnake Wash / I-40 traffic interchange on February 2, 2009. ADOT has requested that this resolution be re-worded. In the last sentence in the fourth paragraph, the phrase “...not to exceed \$313,500.” needs to be replaced with the phrase “...currently estimated at \$313,500.” These right-of-way activities will occur over the next few years and fixed bids for all activities cannot be obtained now. ADOT will be contracting this work on the City's behalf, with the City paying for each activity as we go. The “not to exceed” amount may imply to some that ADOT would be responsible for funding any activity cost above the estimate. This is not the case; the City is responsible for these right-of-way costs and the Resolution should state so clearly. Below is the information from the original Council communication in February. Approximately eighty-one acres of right-of-way are needed for construction of Phase 1 of the Rattlesnake Wash traffic interchange project. Under the Letter of Intent signed in

January of 2006, the City of Kingman is responsible for all right-of-way acquisition activities. In order to comply with federal acquisition guidelines and maintain project eligibility for federal funding sources, it is recommended that the city follow ADOT acquisition procedures. This proposed agreement would allow ADOT to contract for surveying, right-of-way plans, staking, and monumentation in accordance with state and federal specifications. The City of Kingman would pay up-front for these services as they are needed, starting with surveying. **Staff recommends adoption of Resolution No. 4587-R, JPA 08-141-I.**

Councilmember Deering made a MOTION to approve items “a” through “c” on the Consent Agenda. Councilmember Gordon SECONDED and the Consent Agenda, items “a” through “c”, were UNANIMOUSLY APPROVED.

Consent Agenda item “d” was considered separately due to both Mayor Salem and Councilmember Deering having a conflict of interest. Public Works Director Rob Owen stated that this resolution was approved by Council in February 2009 along with the IGA with the Arizona Department of Transportation (ADOT) for right-of-way activities related to the Rattlesnake Wash Traffic Interchange. He went on to state that ADOT has asked for a change in the verbiage of the resolution to say “currently estimated at \$313,500” instead of “not to exceed \$313,500”. Mr. Owen stated that this work will take place over a number of years so there is no way to get fixed bids on those activities now. Councilmember Lyons stated that he could not support the change because there is no way to know what the final cost would be. Mr. Owen stated that there was an error resulting in different verbiage in the Resolution compared to the verbiage in the IGA; this revised Resolution would correct that error. Councilmember Walker stated that the entire project cost is estimated. Vice Mayor Watson stated that the City has made a commitment to pay for this project and this Resolution will correct the previous error.

Councilmember Gordon made a MOTION to adopt revised Resolution 4587-R. Councilmember Walker SECONDED and it was APPROVED by a vote of 4-1, with Councilmember Lyons voting Nay and Mayor Salem and Councilmember Deering abstaining.

(Resolution No. 4587-R)

7. NEW BUSINESS

a. Presentation on the 2010 U.S. Census and Consideration of Forming a Complete Count Committee

Gail Sadler, Partnership Specialist for the U.S. Census Bureau, will make a presentation on the 2010 U.S. Census. Ms. Sadler would like to develop a partnership with the City to increase the response rate of its citizens from the 2000 census and to increase the accuracy of the information gathered in the census through a grassroots Complete Count Campaign. Kingman’s participation rate in the 2000 census was 68%. Kingman’s 2010 census will be by the enumerators hanging the census questionnaires on doorknobs. The census form only asks 10 questions. Ms. Sadler would like to have a Proclamation of Commitment issued and City establish a “Complete Count Committee”. The Complete Count Committee would assist in strategizing on how to use the community’s expertise and assets to educate and motivate our citizens who might be reluctant to participate in the census. **Staff recommends direction from the**

Mayor and Council to seek participants for a Complete Count Committee and return to Council for the formation of a Complete Count Committee.

Mayor Salem asked if there were any objections to making item 7.a. the next item on the agenda. There was no objection. Gail Sadler, Partnership Specialist for the U.S. Census Bureau, addressed the Council. She stated that Census 2010 is one year away and it is time to start preparations to have the best census ever. Ms. Sadler stated that Mohave County may increase from 3 Supervisors to 5 Supervisors and the State of Arizona could gain 2 seats in the House of Representatives after the required re-districting that follows the census. She went on to state that the census is not a census of citizens but of residents, and is a count of the total population of the United States of America. Ms. Sadler stated that the House of Representatives is hearing a bill to increase members from 435 to 437, one from Washington, D.C. and one from Utah. Over \$3 billion in federal funds are allocated to various federal programs every year; the allocations are based on each state's census numbers. Arizona's state shared revenues are based on census number as well; every person not counted in the last census has cost the City between \$600 and \$800 per person per year.

Ms. Sadler stated that the census has changed. It consists of 10 questions and will be in a bi-lingual format in Mohave County. She went on to say that the Global Positioning System (GPS) is being used to map all residences. The census will be delivered to each home by hand. Ms. Sadler stated that in the last census Mohave County had a 60% response rate, the State of Arizona had a 63% response rate, and the City of Kingman had a 68% response rate. To increase response rates and accuracy the U.S. Census Bureau will be hiring local people to do mapping and enumeration. These people will be paid \$12.00 per hour and .55¢ per mile.

Ms. Sadler requested that the City issue a Proclamation pledging full support to the census effort and establish a Complete Count Committee to promote the census and ensure that no one goes uncouncted. Mohave County has formed a Complete Count Committee to cover unincorporated areas.

Vice Mayor Watson asked how many people should be on the Complete Count Committee. Ms. Sadler said that there is no set formula but ½ dozen people would be a good number.

Vice Mayor Watson made a MOTION to sign the Proclamation and to form a Complete Count Committee. Councilmember Deering SECONDED and it was UNANIMOUSLY APPROVED.

6. OLD BUSINESS

- b. Public Auction of Parcel IV-U-B-C-b at the Kingman Airport and Industrial Park**
City Council authorized and scheduled a Public Auction of Parcel IV-U-B-C-b, for the April 20, 2009 City Council meeting. This parcel contains 2.0 acres and has been appraised at \$130,680.00. The anticipated bidder does not require ADEQ or EPA permit or approval for operations on the site. **Staff recommends conducting the Pubic Auction.**

Mayor Salem asked if there were any objections to making item 6.b. the next item on the agenda. There were no objections.

Councilmember Deering made a MOTION to conduct the Public Auction. Councilmember Walker SECONDED and it was UNANIMOUSLY APPROVED.

Bob Riley, Kingman Airport Authority Director of Economic Development, asked that the Council conduct the Public Auction which was duly advertised in the Kingman Daily Miner. He went on to state that there is one qualified bidder, PJ Investments, LLC and requested Council accept their bid of \$130,680.

Mayor Salem called for bids on this property; only one was received. Councilmember Gordon made a MOTION to accept a bid of \$130,680 from PJ Investments, LLC for Parcel IV-U-B-C-b. Vice Mayor Watson SECONDED and it was UNANIMOUSLY APPROVED.

Mr. Riley stated that Mr. and Mrs. Patt of PJ Investments, LLC plan to build a 6,000 square foot distillery on this property. They will be making custom vodkas and brandies, with plans to eventually open their business to tourism. Mr. Riley went on to welcome PJ Investments, LLC to the community.

a. Ordinance No. 1655 – Expansion of Economic Tourism and Development Commission (ETDC) From Seven to Nine Members

At the December 2008 ETDC meeting, ETDC recommended that the City Council consider increasing ETDC from 7 to 9 members. City Council discussed the possible expansion at the December 15, 2008 Council meeting and in fact, approved a motion to direct Staff to draft an ordinance that would expand ETDC members from 7 to 9. However, later on the same agenda, Council discussed the creation of a Commission for the purpose of marketing Kingman and the Tri-City area. Included in this discussion was the subject of creating a sub-commission of ETDC, creating a committee instead of a commission, and other ideas. The discussion concluded with Council directing Staff to draft a resolution for further discussion on the matter. At the January 20, 2009, City Council meeting Council adopted Resolution No. 4581 thereby creating the Economic Development and Marketing Workgroup and recently made appointments. The ETDC again discussed expansion of its members from 7 to 9 at the April 2, 2009 meeting. Ordinance No. 1655 confirms expansion of the ETDC from 7 to 9 members. **Staff recommends approval of Ordinance No. 1655.**

Councilmember Deering made a MOTION to approve Ordinance No. 1655 expanding the ETDC from 7 to 9 members. Councilmember Gordon SECONDED and it was UNANIMOUSLY APPROVED.

(Ordinance No. 1655)

c. Ordinance No. 1652 – Amendment to Subsections 13.220 USES WHICH MAY BE PERMITTED BY CONDITIONAL USE PERMIT and 13.370 CONDUCT OF USES in the C-3 Zoning District to Allow Vehicle Repair and Service Work to Take Place Outside of an Enclosed Building and Any Permanent Outside Equipment Necessary for Vehicular Repair and Service to be Allowed by Conditional Use Permit

On April 6, 2009, the City Council held its Public Hearing on this proposed code amendment. Following the Public Hearing, the City Council tabled action and asked Staff to return with an ordinance that would permit vehicular repair and service outside of enclosed building, but not require such work to be completed by the close of the business day. Existing outdoor permanent equipment is not considered a legal non-conforming use and businesses with such equipment will need to secure conditional use permits to have such equipment. **Staff recommends approval of Ordinance No. 1652.**

Mayor Salem recused himself from this item due to a conflict of interest. Development Services Director Gary Jeppson stated that as discussed at the April 6, 2009 Council meeting, this Ordinance was modified to allow these businesses to do repairs outside of their building and to allow them to leave vehicles outdoors overnight as long as they were not on jacks or hoists due to safety issues. Councilmember Deering stated that these changes are not what were decided upon at the last meeting. He went on to say that his understanding was that vehicles would have to be in an enclosed, screened-in area if left outside after hours. Mr. Jeppson stated that he misunderstood. Vice Mayor Watson asked Mr. Jeppson if Staff can modify the Ordinance. Mr. Jeppson replied that he will modify the Ordinance and present it to Council on May 4, 2009. Councilmember Gordon asked how this Ordinance will be enforced. Mr. Jeppson stated that currently, enforcement is based on received complaints.

Councilmember Deering made a MOTION to table Ordinance No. 1652 until the May 4, 2009 Council meeting so revisions can be made. Councilmember Young SECONDED and it was APPROVED by a vote of 6-0, with Mayor Salem abstaining.

7. NEW BUSINESS CON'T

d. Resolution No. 4598 – Spending of Federal Economic Renewal Grants to the City of Kingman

The economic downturn is having a critical impact on everyday Americans who are struggling to maintain or find jobs in an increasingly difficult environment. Those same Americans are the taxpayers that provide the revenue needed to operate essential government services so our taxpayer dollars should be spend to maximize the creation of American jobs and in restoring the economic vitality of our community. The City of Kingman commits to purchase only products and services that are made or performed in the United States of America whenever and wherever possible. **Staff recommends the adoption of Resolution No. 4598.**

Mayor Salem stated that he wished to delay discussion of item 6.d. and discuss items that can be resolved quickly next. He went on to say that item 7.d., Resolution No. 4598 is not ready for presentation.

Councilmember Gordon made a MOTION to remove Resolution No. 4598 from the agenda. Councilmember Deering SECONDED and it was UNANIMOUSLY APPROVED.

b. Resolution No. 4593 – Cerbat Water Company Water Service Agreement

Cerbat Water Company AKA Claude Neal Family Trust requested City water on an emergency basis on or about February 20, 2009 due to failure of their well. This area is outside the City's water service area thus should be covered with a wholesale agreement. Currently the rates assessed to the Cerbat Water Company are equivalent to the rates we charge other customers outside the City limits that access City water through a fill stand or hydrant meter. The proposed rate with the water service agreement would be the lowest wholesale rate. During a 30 day emergency period Cerbat Water Company could need in surplus of 3.1 million gallons. **Staff recommends approval, denial, or modification of proposed water service request.**

Councilmember Gordon asked if the City is proposing to charge Cerbat Water Company the lowest wholesale rate. Financial Services Director Coral Loyd stated that there is only one wholesale rate. Councilmember Gordon asked if the City has the capacity to provide the amount of water that may be needed. Mr. Kramer replied that the City does have the capacity. Councilmember Walker stated that his company has done work for Cerbat Water Company, therefore, he recused himself. Mayor Salem said this contract will address future use and will be retroactive for the water used in February 2009.

Councilmember Deering made a MOTION to approve Resolution No. 4593. Vice Mayor Watson SECONDED and it was APPROVED by a vote of 6-0, with Councilmember Walker abstaining.

c. Ordinance No. 1656 – Special Event Permit

The City Attorney's office, with the assistance, guidance, and direction from other affected departments, have reviewed, modified and renamed the City Code Parade Permit ordinance. This was done to update and streamline the permit process. The modifications will allow the process to be handled through the TrakIt system which will greatly speed up approval and improve the coordination of the event. **Staff recommends the approval of Ordinance No. 1656.**

Mayor Salem stated that changing this Ordinance will enable events such as the Street Drags to apply for a Special Event Permit instead of having to apply for a Parade Permit. Many events are not parades, but the organizers have to apply for a Parade Permit because it was the only permit close to describing the event. He went on to say that the Special Event Permit will not effect public demonstrations in parks because these events will continue to be permitted through the Parks and Recreation Department. City Attorney Carl Cooper stated that Staff has been working on this Ordinance for 6 months and it will only affect events that close streets or affect a large area of the City. Mr. Cooper went on to say that the Ordinance does address private property because it is part of the modifications done to the Sign Code. When Staff met with the business community they wanted to use more signs and banners for these special events. Mr. Cooper stated that this actually expanded the businesses' rights to put up more signs for special events.

Mr. Cooper stated that organizations will need to apply for the Special Event Permit 60 days in advance of their event; however, Police Chief Robert DeVries will be able to waive the time requirement if practical for a particular event. Mr. Cooper went on to say that the Special Event Permit process will not infringe on people's First Amendment Rights as those are constitutionally guaranteed, but will help

streamline the permit process for citizens and Staff alike. Mayor Salem asked if the permit is in place to deal with City streets and rights-of-way. Mr. Cooper stated yes, that was correct, as well to deal with events that create excessive traffic and those that wish to install tents or canopies. Mr. Cooper went on to say that there is an exemption for events that will have 100 people or less in attendance. Vice Mayor Watson asked if the number could be increased; Mayor Salem suggested raising the number to 200. Mr. Cooper said it can be changed to whatever Council wishes.

Vice Mayor Watson stated that an educational article in the newspaper is needed as well as contacting organizations that have had big events like this in the past to educate them on the new process. Mr. Cooper stated that the application form itself has a lot of instructions and explanation on it. Mayor Salem recommended implementing the Special Event Permit for a year and then reviewing it, as well as increasing the number of people to 200. He went on to say that this will be enforced by Neighborhood Services with the emphasis on compliance rather than citations. There will be a warning and educational process before citations are issued. Mr. Cooper stated that it could be tied into the education on the Sign Code as both issues are intertwined. Councilmember Gordon asked what the educational process will be on this Ordinance and on the Sign Code. Mr. Cooper replied that the City of Kingman could partner with the Kingman Area Chamber of Commerce to educate people as well as utilizing the media. Councilmember Gordon stated that more education needs to be done. She pointed out that not all businesses belong to the Chamber so they should not be the only source of education provided. Mr. Cooper stated that organizations have been applying for Parade Permits for these events for years; the new Special Event Permit will take the place of the Parade Permit.

Mr. Kramer stated that this is not a new permit but a modification of the existing parade permit. He further stated that the 60 day time limit is to help organizations begin the process and allow themselves enough time to obtain other permits, such as handling permits and liquor licenses needed for their event. Mayor Salem clarified the liquor license process. The organization fills out the application and it is then put on the next Council agenda for approval. After Council approval the application and fee is sent to the State for final approval. The State of Arizona makes the final decisions on liquor licenses.

Vice Mayor Watson stated that she is surprised that the City has never had a Special Events Permit to help organizations prepare for their large events and it is time that one is put in place.

Lloyd Peterson, resident of Kingman, addressed the Council regarding this issue. Mr. Peterson stated that he has several problems with this Ordinance. He went on to state that if the City implements a requirement that every one who participates in an event must comply with the Ordinance everyone must be notified in advance to prevent confusion. Mr. Peterson also stated that he is concerned with the verbiage that states that the Ordinance will not apply to free speech activities; however, there are no specifics of where this will or will not apply. Mr. Cooper stated that future case law may change interpretation so it can not be more specific and in fact needs to be flexible. He went on to say that the Special Event Permit is more for notification rather than approval.

Mr. Peterson voiced his objection to item “o” in the proposed ordinance which states “CERTAIN SECTIONS OF THIS ORDINANCE WILL NOT APPLY TO FREE SPEECH ACTIVITIES”. Mayor Salem asked what the consequences would be if this item was removed from the Ordinance. Mr. Cooper replied that it would not be a problem; however, the only purpose of the item is to reiterate that free speech activities will not be interfered with. Councilmember Deering stated that the item should not be removed as it was put in to protect the City. Vice Mayor Watson asked if item “o” could be changed to state “THIS ORDINANCE WILL NOT APPLY TO FREE SPEECH ACTIVITIES”. Mr. Cooper stated that if a free speech activity was going to close streets or interfere with right of way a Special Event Permit would need to be obtained. Mr. Cooper went on to say that this does not have to be approved tonight; changes can be made and it can be brought back to Council for approval. Mayor Salem was concerned about the Special Event Permit being done in time for the Street Drags. Mr. Cooper said that he would make modifications and perhaps provide a couple of options changing the wording for item “o”, as well as increase the number of people at an event from 100 to 200 before a permit is needed. Mr. Peterson stated that free speech issues are very important and he appreciates the Council being willing to make changes.

Mike Bihuniak, resident of Kingman, asked if the Special Event Permit would interfere in spontaneous demonstrations. Mr. Cooper said no, not as long as the demonstrations do not impede traffic. He went on to say that the Special Event Permit is not to prevent events but to give the City advance notice which will assist in preventing any problems that may arise.

Mr. Bihuniak asked about item 3. c. which states that the cost of using Police Officers or other City employees for traffic control, crowd control, or other related duties will be paid by the organization holding the event. He went on to say that he is concerned that the item also states that the cost can be waived at the Council’s discretion which he feels will lead to favoritism. Mr. Cooper stated that the item is currently in the Ordinance and is not a change. Mayor Salem said that current large events sometimes require overtime being paid to City departments for traffic and crowd control; the City cannot afford to pay those costs, therefore, the event organizer is required to pay them.

Vice Mayor Watson asked who decides if traffic control is needed. Chief DeVries replied that the purpose of the Special Event Permit is so that City departments can review it and decide what additional staffing needs are required for a particular event. He went on to say that they try to utilize the VIP’s and/or Cadets to reduce costs. Chief DeVries stated that they will be happy to assist organizations with the process. Vice Mayor Watson asked if this permit will apply to events held at the Mohave County Fairgrounds. Mr. Cooper replied that it will not as Mohave County handles the requirements for events at the Fairgrounds.

Councilmember Deering made a MOTION to table Ordinance No. 1656. Councilmember Walker SECONDED and it was UNANIMOUSLY APPROVED.

6. NEW BUSINESS CON'T

d. Fiscal Year 2009-10 Preliminary Budget and Infrastructure/Capital Improvement Plan Discussion and Direction

Several discussion points came up during the FY2009-10 Preliminary Budget and CIP Workshop held April 9, 2009 that merit further deliberation prior to consideration of the Tentative Budget next month.

1. Discussion and direction of whether to pursue a Development Investment Fee Study in FY2009-10 or FY2010-11
2. Discussion and direction of whether to eliminate KART Saturday service and reduce Monday-Friday operating hours from 6:00 a.m. to 6:00 p.m.
3. Discussion and direction of whether to include a 1% salary increase for employees; delay implementation until January 1 (after a review of state shared and city revenues); or forego until a future year
4. Discussion and direction of whether to consider a .15% local sales tax increase for the chip seal and overlay programs on a future Council agenda
5. Discussion and direction of whether/when to schedule a future Council workshop for a bond election for capital improvements

Staff recommends Council discuss these items and provide direction for inclusion or exclusion in the FY2009-10 budget.

Councilmember Gordon recused herself from item 6. d. 2. due to a conflict of interest.

Vice Mayor Watson stated that she would like to discuss the decision that was made at the April 9, 2009 Budget Work Session to eliminate the contribution the City makes to the Friends of the Library. Mr. Cooper stated that the item could not be discussed at this meeting as it is not on the agenda; however, it can be added to the agenda for the May 4, 2009 meeting.

1. Mayor Salem stated that after discussing the Development Investment Fees with City Attorney Carl Cooper and City Manager Jack Kramer it was determined that the Council can make any change they wish to the Investment Fees with the exception of increasing them. He went on to say that it is his opinion that the \$100,000 in the Council budget for the investment fee study can be eliminated. Councilmember Deering stated that the Council promised local developers that an impact fee study would be done. He went on to ask if anyone had spoken to the Northern Arizona Builders Association (NABA) to make sure they understand why the study is not going to be completed.

Mayor Salem stated that it was his understanding that Impact Fees could not be modified at all without a study; however, that is not the case. He went on to state that requiring a study is actually a City Ordinance not a state statute. Mr. Cooper said that the state statute refers to doing a study to implement the fees and the City code gives a 5-year timeline after which the fees were to be revisited. Mayor Salem stated that an Impact Fee study would not be in the best interests of NABA because it will most likely indicate an increase is necessary. Councilmember Deering stated that Council has been dealing with this issue for 3 years and it was never Council's understanding that changes could be made to Impact Fees without a study being done. Mr. Cooper said that a study would put the City in a better legal position in case of litigation. He went on to say that if a study is done and the Council does not adopt its findings it calls into question the validity of the study.

Councilmember Young asked if it is possible to lower either commercial or residential Impact Fees. Mr. Cooper stated that if one is increased or decreased the other one must be increased or decreased as well.

Vice Mayor Watson stated that a letter should be sent to NABA explaining why the Council will not be doing the Impact Fee study. Councilmember Gordon stated that she does not think a letter is enough and that Mr. Kramer should meet with NABA and report the results of that meeting to Council. The Council agreed.

Councilmember Deering asked if it was possible for the City Clerk Deborah Francis to provide him copies of minutes of meetings in which the Investment Fee study was discussed. He went on to say that all along Council has been told that Impact Fees cannot be changed without a study. Councilmember Lyons stated that the Council lowered Transportation Impact Fees without a study. Mayor Salem stated that the Council considered lowering the fees but the motion was defeated. Councilmember Deering stated that there were businesses that wanted to come to Kingman but did not because Council was not able to help them by lowering Impact Fees.

Council directed Mr. Kramer to meet with NABA and bring a report back to Council so that they can decide what to do. Mr. Kramer clarified that the only Impact Fees being considered are for transportation, public safety, fire, and parks; water and wastewater are handled separately.

Councilmember Lyons stated that the order of the budget items to be discussed should be changed. He went on to say that Ms. Loyd and Mr. Kramer presented the Council with a balanced budget at the work shop that did not include a raise for employees.

3. Mayor Salem stated item 6.d. 3. would be discussed next per Councilmember Lyons request, if there were no objections. No objections were voiced. Councilmember Lyons stated that the balanced budget that Council was given at the Work Session included the \$100,000 for the Impact fee study but no cuts to KART or an increase in pay for City Staff were included.

Councilmember Lyons stated that City employees have not received a raise in 3 years and he believes that is a problem. He went on to say that in 2005 a compensation study was done to help increase recruitment and retention. That study showed that City of Kingman employees were among the lowest paid employees in the state. A compensation plan was established at that time to bring City employees to the 50 percentile in comparison to other cities. A 5% raise was given the first year with plans to reach the 50 percentile over the following 4 years; however, only one more raise was given and the City is falling behind again. Councilmember Lyons stated that at the present time the City is not experiencing the recruitment problems that were experienced in the past; however, that is going to change as new industry begins hiring. He went on to say that the City may lose good employees when Nucor, the prison, and the new medical center start hiring. Councilmember Lyons stated that if employees do not receive the previously

proposed raise this year then they deserve at least a partial cost of living raise. If a raise is approved it will cause additional budget cuts.

Councilmember Deering stated that since he has been on the Council he has come to appreciate all of the City employees. He agreed that the employees deserve a raise and wishes it could be more than 1%. He went on to state that the City had hired employees with the understanding that their pay would be brought to the 50 percentile. Vice Mayor Watson stated that she wishes a more substantial raise could be given to the City's employees; however, she would not approve of implementing a 1% raise because it would cause other employees to be laid off. Vice Mayor Watson asked Ms. Loyd how long it has actually been since employees received pay increases. Ms. Loyd stated that on July 1, 2009 it will be 2 years for hourly compensated employees and 3 years for department heads. Councilmember Young stated that she would also like to give the employees a raise; however, there are 2 unfunded positions in the Fire Department and 2 in the Police Department and although sales tax revenues are compatible with the City's budget, state shared revenues have a 2-year lag, which will make 2010 and 2011 difficult. She went on to say that she did not want to be in the position of giving an increase now and then having to do further reductions in force (RIF) later in the year. Councilmember Walker agreed and stated that as a business owner he knows that when revenue is down raises can't be given. Mayor Salem agreed.

Councilmember Gordon stated that perhaps there is a way to recognize employees without giving a raise such as giving them an extra paid holiday this year. Mayor Salem asked Staff to research costs related to this idea.

Councilmember Young made a MOTION to eliminate the 1% pay increase for all employees from the 2009/2010 budget. Vice Mayor Watson SECONDED and it was APPROVED by a 4-3 vote. A roll call vote was taken; Mayor Salem, Vice Mayor Watson, Council members Gordon and Young voted AYE, Council members Deering, Lyons, and Walker voted NAY.

2. Mayor Salem asked if there was any further discussion regarding KART reductions. Councilmember Lyons stated that without the pay increase there is no need for cuts.

Councilmember Lyons made a MOTION to leave the KART budget as proposed. Vice Mayor Watson SECONDED and it was approved by a 6-0 vote with Councilmember Gordon abstaining

Mayor Salem stated that the Council appreciates the KART and the service it provides to the community.

Elsie Taylor, resident of Kingman and KART rider, addressed the Council. She was upset because the KART topic was delayed for hours making it difficult for her to participate. She went on to say that she learned about the possible change at the last minute and she did not have time to prepare her statement. Ms. Taylor stated that KART offers an extremely valuable service and that Council needs to consider those who need the service. She went on to say that giving other employees raises

would cause some KART employees to lose their jobs. Ms. Taylor also stated that perhaps in the future more notice could be given to the public so they could participate.

5. Mayor Salem asked Council if direction should be provided to Staff to assemble information regarding a bond election. Council agreed.

4. Mayor Salem stated that the next topic would be whether to implement a .15% sales tax, which would be used to help fund the chip seal program, at a cost of \$800,000 to \$900,000 to resume. Councilmember Walker asked what the cost would be if the chip sealing program isn't done. Mr. Kramer said that total reconstruction will have to be done on some streets which is 4 times the cost of the chip seal program. He went on to say that there is \$350,000 in this year's budget so some streets will be chip sealed and the sales tax increase is something to consider for the future.

Vice Mayor Watson stated that she believes that this sales tax increase should be implemented. Councilmember Young stated that it will be a burden to some people. Councilmember Gordon stated that the Council has a responsibility to take care of the City's streets. Vice Mayor Watson stated that the Ordinance will have to make it clear that the monies are to be used for street repair and maintenance only. She went on to say that if there ever comes a time where there is a surplus of funds perhaps other improvements such as sidewalks can be made. Councilmember Lyons asked if this would be used for street repair and maintenance every year. Mr. Kramer replied yes. Mayor Salem asked if that is legal. Mr. Cooper stated yes.

Mr. Bihuniak addressed Council. He stated that he lived in New York during their budget crisis and one of the things they cut was street repairs and maintenance. He went on to say that it created a large problem and he feels that the Council should proceed with the sales tax increase.

Mayor Salem clarified the fact that Council is not voting on the implementation of a sales tax at this meeting. He went on to state that Council will be voting on whether or not to move forward with an Ordinance being drafted. From that point there will be a Public Hearing and further discussion. Mayor Salem asked if there were any objections to that. There were no objections.

Herberta Schroeder, resident of Kingman, addressed the Council. Ms. Schroeder reminded Council that when Super Wal-Mart came to town the Council decided to not make them pay sales tax. Mr. Kramer stated that Wal-Mart asked the Council to do that but they denied the request.

Discussion returned to item 6.d.5. Mayor Salem asked Council wanted to direct Staff to look into a bond election. He went on to state that there will be opportunity for public input before any decision is made. Mr. Kramer stated that Staff needs a timeline as to when Council wants the information. Vice Mayor Watson stated that the county has to be notified 150 days prior to an election, which would be June 9, 2009. Council agreed to have a Special Meeting on May 4, 2009, at 5:00 p.m., immediately prior to the Regular Meeting.

8. DEPARTMENT REPORTS

Update on repairs and replacement of Public Safety Radio System equipment – Chief Osterman

Fire Chief Chuck Osterman stated that last year out of contingency and Development Investment Fees the Fire and Police Department were allowed to make repairs to their radio system; because the bond failed a new system was not able to be purchased.

Chief Osterman stated that the radio hardware has been installed and tested; Staff has completed inspection of the Radar Hill site and the Hualapai Tank site. Backup power has been installed for all of the sites and new equipment has been installed. He went on to say that this will not replace the new system but does reduce the possibility of radio failure.

Chief Osterman stated that when the economy rebounds and funds are available the City would like to install a microwave backup system. He went on to say that there are new channels available. Councilmember Walker asked if this has made coverage better in the basement of the hospital. Chief Osterman stated that it has improved coverage somewhat in the basements of big box stores but it is not optimum.

Mayor Salem commended Chief Osterman, Chief DeVries, and Information Systems Director Joe Clos for all of their hard work and making these improvements with very little money.

9. EXECUTIVE SESSION

THE COUNCIL MAY GO INTO EXECUTIVE SESSION IN ACCORDANCE WITH A.R.S.38-431.03(A) (1) TO DISCUSS ANY AGENDA ITEM. THE FOLLOWING ITEMS MAY BE DISCUSSED, CONSIDERED AND DECISIONS MADE RELATING THERETO:

Councilmember Deering made a MOTION to go into Executive Session to conduct City Manager Jack Kramer's sixth month review. Vice Mayor Watson SECONDED and it was APPROVED UNANIMOUSLY.

The meeting reconvened at 9:15 p.m.

10. ANNOUNCEMENTS BY MAYOR, COUNCIL MEMBERS, CITY MANAGER

Councilmember Walker stated that Mohave County contributed \$3,500 total to the Clean City Commission (CCC) to assist in their clean ups at the Mohave County Fairgrounds. He went on to say that the CCC completed a clean-up from Bashas to the City of Kingman Public Works yard last weekend.

Vice Mayor Watson stated that she would like to talk about the Friends of the Library funds at the next meeting. Mr. Kramer stated that would be on the May 4, 2009 agenda.

Mayor Salem asked that the ideas Council had for increasing revenues such as increasing tax on prepared foods and increasing the bed tax be put on a future agenda for discussion. Councilmember Gordon asked Ms. Loyd if she could prepare a presentation of information

regarding what other cities charge for these taxes. Mayor Salem went on to commend Mr. Kramer for the job he is doing as City Manager.

Mayor Salem stated that the Elk's give an annual award for employee of the year. This year Porter Williams of the Kingman Fire Department will be receiving the Firefighter of the Year award and Mike Godfrey will be receiving the Police Officer of the Year award. He went on to say that Mike Godfrey is being promoted to Sergeant.

Councilmember Deering made a MOTION to ADJOURN. Councilmember Lyons SECONDED and it was APPROVED UNANIMOUSLY.

ADJOURNMENT: 9:19 p.m.

ATTEST:

APPROVED:

Deborah Francis
City Clerk

John Salem
Mayor

STATE OF ARIZONA)
COUNTY OF MOHAVE)ss:
CITY OF KINGMAN)

CERTIFICATE OF COUNCIL MINUTES

I, Donna King, Deputy City Clerk of the City of Kingman, Arizona, hereby certify that the foregoing Minutes are a true and correct copy of the Minutes of the Regular Meeting of the Common Council of the City of Kingman held on April 20, 2009

Dated this 27 Day of April 2009

Donna King, Deputy City Clerk